

THE TRANSPORTATION LINK

Federal Aviation
Administration

Federal Highway
Administration

Federal Motor
Carrier Safety
Administration

Federal
Railroad
Administration

Federal Transit
Administration

Maritime
Administration

National Highway
Traffic Safety
Administration

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Special Programs
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Development

Transportation
Security
Administration

U.S.
Coast Guard

Office of
The Secretary

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Director of the
Office of Small and
Disadvantaged
Business Utilization
(OSDBU)**

The lead article in this month's issue of *The Transportation Link* focuses on the transfer of the US Coast Guard and the Transportation Security Administration from the Department of Transportation (DOT) to the Department of Homeland Security. We look at the immediate priorities of these two former DOT operating administrations in the fight against terrorism. In a related article, we highlight recent changes to the Federal Acquisition Regulation that provides incentives for small and disadvantaged businesses to contribute their talents and expertise in protecting homeland security.

Our profile this month is QSS Group, Inc., an 800-employee firm headquartered in Lanham, Maryland. Last year, QSS received DOT's Outstanding Minority Business Award for its work with the US Coast Guard – in particular for its immediate response in assisting the Coast Guard following the 9/11 attacks.

Finally, in this issue, we revive "Follow the Money" as a monthly column to this newsletter. The purpose of "Follow the Money" will be to inform small and disadvantaged businesses of transportation-related contracting opportunities in the States. This month's column highlights the resources available on OSDBU's web site to find such opportunities.

Transition from DOT to Homeland Security

On March 1, 2003, the US Coast Guard and the Transportation Security Administration (TSA) moved from the Department of Transportation (DOT) to the Department of Homeland Security (DHS). They joined 22 other entities formerly with other branches of the Federal government to create a new Cabinet-level department of nearly 180,000 employees.

The movement of these agencies represents the most significant transformation of the Federal government since 1949, when President Harry S. Truman merged the various branches of the US Armed Forces into the Department of Defense.

Structure of the New Department

The Coast Guard remained intact with the Commandant, Admiral Thomas H. Collins, reporting directly to the Secretary of Homeland Security, Tom Ridge.

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QSS – Performance as Promised following 9/11

Immediately after the September 11 attacks, the US Coast Guard created the National Vessel Movement Center (NVMC) to track all vessel arrivals in US ports. A new system had to be quickly developed to collect, process, share, and protect this massive amount of data.

The task went to QSS Group, Inc., an 8(a) firm headquartered in Lanham, MD. In less than three weeks, QSS developed the Ship Arrival Notification System (SANS) database to collect and forward information to the intelligence community, marine safety officers, and other authorities. In this three-week period, QSS also hired and trained a 28-person staff for the NVMC and configured a server architecture.

SANS was immediately put to the test because the volume of traffic was more than twice the amount that the Coast Guard had initially estimated. In the first three months of SANS implementation, QSS handled almost 31,000 vessel arrivals and managed the vessel, crew, passenger, and cargo data for more than 6,500 vessels. Never before had the US government required this amount of vessel data. QSS quickly developed procedures and adjusted

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OSDBU

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TSA moved into a new Border and Transportation Security directorate, which brings the major border security and transportation operations under one roof. The other agencies in this directorate are: the US Customs Service, the Immigration and Naturalization Service, the Federal Protective Service, the Federal Law Enforcement Training Center, Animal and Plant Health Inspection Service, and the Office for Domestic Preparedness. The former Administrator of the Drug Enforcement Administration, Asa Hutchinson, is the Under Secretary for Border and Transportation Security.

“The structure is in place,” says Secretary Ridge, “now we must provide the right resources and the leadership.”

Immediate Coast Guard Resources and Priorities

In the past two years, the President and Congress have nearly doubled the funding for homeland security. In Fiscal Year (FY) 2004, the President proposes to increase the Department’s budget by another 7.4%, to \$36.2 billion.

For the Coast Guard, this translates into the largest increase in its operating expenses since World War II. These new dollars will fund the hiring of 2,200 active-duty personnel, including 160 Sea Marshals for armed escort of high-interest vessels. The increase includes funding for an enhanced Coast Guard presence and response, including support for 44 port security response boats, six new maritime SWAT teams, and increased armed boardings, escorts, and patrols.

Current funding also supports the “Deepwater” program, which is upgrading the Coast Guard’s fleet of cutters, aircraft, and related systems. According to Secretary Ridge, part of this upgrade will be the deployment of unmanned air vehicles that extend “the eyes of the Coast Guard along our waterways and along our coasts . . . expand[ing] their presence, their domain awareness, much further than they’re physically capable of doing now.”

Immediate TSA Resources and Priorities

The strategic goals of the new Border and Transportation Security Directorate are to improve border and transportation security, while at the same time facilitating the unimpeded and reliable flow of people and commerce. As part of the Directorate, TSA will build on its success of hiring and deploying a new professional screening workforce to strengthen its operations for enhancing security for the nation’s transportation system.

A major TSA priority will be the development of a comprehensive Entry-Exit system, which will enable DHS to track the entry and exit of visitors to the United States. The FY 2003 budget provides \$380 million for development of this system, with another \$100 million requested for FY 2004.

New grant programs will include \$105 million for port security, \$15 million for over-the-road bus security, and \$28 million for Operation Safe Commerce – a collaboration with the Customs Service to test technologies for container seals and long-distance vessel tracking. Other programs TSA will continue to develop include giving pilots firearms training to protect the cockpit and working with Congress on the Transportation Worker Identification Credential.

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Procurement Changes Related to Homeland Security

The Homeland Security Act of 2002 mandated a number of changes to the Federal Acquisition Regulation (FAR) – many with a direct impact on small and disadvantaged businesses. An interim rule has been issued (effective from January 24, 2003, through November 24, 2003) containing the following FAR amendments involving products or services that have a clear and direct relationship to defense against or recovery from terrorist-related activity:

Increasing the Micro-Purchase Threshold to \$7,500 (with a further increase to \$15,000 for acquisitions by or for the Department of Defense (DOD));

Waiving the Sole Source Limitations for both 8(a) and HUBZone awards; and

Increasing the Simplified Acquisition Threshold to: \$200,000 for procurements to be performed inside the United States; and \$300,000 for procurements to be performed outside the United States (for DOD contracts, the thresholds are increased to \$250,000 and \$500,000 respectively).

Also, Federal agencies are required to conduct ongoing market research to identify small businesses and new entrants into Federal contracting that are available to meet terrorism-related requirements.

The interim rule was published in the Federal Register on January 27, 2003. Online versions can be found at <http://farsite.hill.af.mil/reghtml/changes/fac/fac2001-12.htm>.

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Doing Business with the Coast Guard and TSA

DHS has set up an Office of Private Sector Liaison to provide the business community with a direct line of communication to the new Department. However, at this time, DHS is not accepting solicitations for products or services. All such solicitations should be conducted through the appropriate affiliated agency.

During this transition period, DOT's Office of Small and Disadvantaged Business Utilization (OSDBU) will continue to host marketing information from the Coast Guard and TSA until DHS launches its own OSDBU web site.

The following web sites provide more information on:

DHS's structure: <http://www.dhs.gov/dhspublic/display?theme=13>;
and http://www.dhs.gov/dhspublic/interapp/editorial/editorial_0086.xml

Priorities and resources for the Coast Guard and TSA: <http://www.dhs.gov/dhspublic/display?content=491>;
<http://www.dhs.gov/dhspublic/display?content=431>; and <http://www.tsa.gov/public/>

Doing business with the Coast Guard and TSA: <http://www.dhs.gov/dhspublic/display?theme=37>; <http://osdbuweb.dot.gov/business/mp/miphtml16.html#TOC57>; and <http://osdbuweb.dot.gov/business/procurement/states.html>

Final FY 2003 DOT Budget

In last month's issue, *The Transportation Link* provided a summary of the proposed FY 2004 budget, as submitted to Congress by President George Bush on February 3, 2003. Later that same month, Congress passed and President Bush signed the final FY 2003 omnibus budget bill. DOT's FY 2003 appropriation is \$21.1 billion, which is a \$1.4 billion increase over what the President had requested in February 2002.

"QSS – Performance as Promised following 9/11" continued from page 1

staffing to meet this unanticipated volume of traffic. QSS also provided data support to intelligence officials, Federal law enforcement agencies, and numerous other government organizations.

For this and other work for the Coast Guard's Operations Systems Center, QSS received DOT's Outstanding Minority Business Enterprise Award in 2002.

QSS was founded by President Frank Islam in 1994. Its first contract supported NASA Goddard Space Flight Center's Office of Flight Assurance with a variety of engineering and database support services. Today, QSS's primary clients are NASA, the National Oceanic and Atmospheric Administration, the Federal Deposit Insurance Corporation, the Department of Housing and Urban Development, and the Coast Guard.



QSS's Fiscal Year (FY) 2000 revenues stood at \$94 million. This represented a growth rate of 159% in FY 2000 alone – and an increase of more than 23,000% since its first contract in 1994. Today, QSS is an 800-employee firm that provides its clients with an array of services in enterprise management, aerospace science and engineering, and application and systems development.

In nominating QSS for the Minority Business Enterprise Award, the Coast Guard stated that "QSS prides itself on being a self-starter, taking the initiative and being forward-looking in providing the government with best practices in IT management and technical support." Or as summed up in the company's slogan: "Performance as Promised."

Contact information: QSS Group, Inc., 4501 Forbes Boulevard, Suite 200, Lanham, MD 20706 / (301) 577-0700. More information about QSS can be found at: <http://www.qssgroupinc.com/>

National Work Zone Awareness Week April 6-12, 2003

Recent years have demonstrated an alarming trend of increasing work-zone related automobile crashes. Over the last five years, the number of persons killed in motor vehicle crashes in work zones has gone from 693 in 1997 to a high of 1,079 in 2001. The focus of the fourth annual National Work Zone Awareness Week will be on the motorist – to increase driver awareness in work zones, thereby improving safety for both motorists and highway workers.

More information about National Work Zone Awareness Week is at: <http://wzsafety.tamu.edu/files/week3.stm>

Follow the Money

This issue marks the return of "Follow the Money," a monthly column providing information on small business contracting opportunities with State Departments of Transportation. This month we want to highlight the resources available on OSDBU's web site to find such opportunities.

The "US DOT and State DOT Procurement Sites" page contains links to relevant URLs for all the Federal DOT operating administrations and for the 50 States. Each State listing has at least two links. The first link is to the State's DOT home page. Other links include access to relevant information such as State contracting opportunities, contact lists, and county and city web sites.

OSDBU hopes that you find this resource useful in locating business opportunities in your area of expertise and in your area of the country. We welcome any suggestions on ways to improve this site.

The "US DOT and State DOT Procurement Sites" page is located at:
<http://osdbuweb.dot.gov/business/procurement/states.html>

UPCOMING CALENDAR OF EVENTS FOR April/May 2003

DATE	EVENT	CONTACT
April 7-10	29th Environmental and Energy Symposium & Exhibition Richmond, VA	Tim Becker 703-247-2573 tbecker@ndia.org http://www.ndia.org/events/
April 23	13th Annual OSDBU Procurement Conference Upper Marlboro, MD	Bob Jeffers 800-878-2940 or 301-206-2940 ext. 226 bj1@fbcdm.com http://www.treas.gov/sba/osdbu
April 27-29	GovNet Summit Cambridge, MD	Lauren Strachan 212-983-3500 ext. 350 laurens@marcusevansny.com http://www.govnetsummit.com
May 12-14	U.S. Department of Energy 4th Annual Small Business Conference Albuquerque, NM	Myrna Turturro 202-586-4676 myrna.turturro@hq.doe.gov http://www.smallbusiness-outreach.doe.gov/annual/
May 12-16	Government Technology Conference (GTC) West Sacramento, CA	Cindy Dangbery 916-932-1357 cdangbery@govtech.net http://www.govtech.net/gtc
May 21	U.S. Department of State Information Technology Exposition, Foreign Services Institute Arlington, VA	Federal Business Council, Inc. 800-878-2940 ext. 219 http://www.bwni.com/pdfs/USDS_may2102.pdf

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